

June 26, 2002

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

HALL OF JUSTICE PROJECT UPDATE

At the June 18, 2002, Board of Supervisors meeting, Supervisor Antonovich requested an update on the negotiations for the renovation of the Hall of Justice.

Developer Negotiations

Pursuant to a Request for Proposal process, we have been negotiating with the Hall of Justice Associates (HOJA) since November of 2001 for the adaptive reuse of the Hall of Justice. In that time we have made substantial progress towards reaching a mutually acceptable approach for the project with HOJA, as well as analyzing the financial viability of the project. Issues which have required extensive discussion have included the need to complete an Environmental Impact Report prior to executing a lease and the resulting exposure of the developer to increased risk.

As a result, we anticipate placing on the July 9, 2002, agenda a request for approval of a Predevelopment Services Agreement with HOJA for preparation of the environmental documentation for the project. The agreement calls for the County to reimburse HOJA for specific deliverables necessary for both federal and State environmental clearance of the renovation project.

Also contained in the Board letter will be a recommendation on a financing approach for the project. We will be recommending, in addition to the cancellation of numerous existing leases to support the new lease of the renovated Hall of Justice, that we use one-time funds available for capital purposes to write down the development costs of the project. The combination of the cancelled leases and capital contribution make the project financially viable.

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Hall of Justice Publicity

My office had previously been asked by the local television producer, Huell Howser, to film a segment of his *Visiting...with Huell Howser* series using the Hall of Justice as a subject. We agreed to the request and an episode was filmed in the building on June 17, 2002. It is expected that the segment will be broadcast on July 18, 2002, on KCET at 7:30 p.m. We are hopeful that this will be both entertaining to viewers and beneficial to our efforts to renovate the Hall of Justice.

If you have any questions, please let me know.

DEJ:SNY
JSE:mda

c: Executive Officer, Board of Supervisors
County Counsel